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FISCAL IMPACT STATEMENT

LS 6573
BILL NUMBER: HB 1303

NOTE PREPARED: Jan 29, 2014
BILL AMENDED: Jan 29, 2014

SUBJECT: School buses.

FIRST AUTHOR: Rep. VanNatter
FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill has the following provisions:

School Bus Warning: The bill requires the State School Bus Committee to adopt and enforce rules that require that each school bus placed into service for the first time bear an indication on the back of the school bus in black letters that the school bus is required to stop at all railroad crossings.

Out-of-Service Notification: The bill provides that the driver of a special purpose bus or school bus (bus) at the time of the inspection shall be notified of an out-of-service order and a copy shall be made available on the Internet web site of the State Police Department. (Current law provides that a copy of the out-of-service order is to be forwarded to the governing body of the school corporation that controls the operation of the bus.)

Effective Date: Upon passage; July 1, 2014.

Explanation of State Expenditures: *School Bus Warning:* The State School Bus Committee would be able to adopt and enforce the required rules at minimal cost.

Out-of-Service Notification: Under this bill, the State Police would no longer have to expend resources delivering the out-of-service order and certificate to the school bus driver. The Department would also save on postage costs if a copy of the out-of-service order is not required to be mailed to the school corporation.

Additional Information:

Out-of-Service Notification: The current statute requires that when a school bus or special purpose bus has failed inspection, the out-of-service order and certificate be personally served upon the driver of the bus, and a copy forwarded to the governing body of the school corporation. Delivering the out-of-service certificate to the driver of a school bus may be difficult or time-consuming unless the driver is required to remain with the bus while it is being inspected.

Under this bill, the driver of the special purpose bus or school bus at the time of the inspection only has to be notified of an out-of-service order (instead of being personally served), and a copy is to be made available on the State Police Department's Internet website for the governing body of the school corporation that controls the operation of the special purpose bus or school bus.

According to the State Police, its current school bus inspection system fulfills the requirements of this bill. The driver of the bus undergoing inspection can sign for the out-of-service order electronically, and the order posted on its website for the school corporation to access.

Explanation of State Revenues:

Explanation of Local Expenditures: *School Bus Warning:* This analysis assumes that the words "THIS SCHOOL BUS STOPS AT ALL RAILROAD CROSSINGS" would be printed on the back of the school bus in black letters that are at least four inches and not more than six inches high.

The cost to apply the lettering required by this bill to a bus would be between \$25 and \$80 per bus. Approximately 1,300 new buses are purchased annually. If the required lettering is not currently being applied by any school corporation, the total cost statewide to school corporations from the bill is estimated to be between \$32,500 and \$104,000. It would be less to the extent that school corporations are already applying the required lettering.

Out-of-Service Notification: See *Explanation of State Expenditures* for further discussion.

Explanation of Local Revenues:

State Agencies Affected: Indiana State Police; State School Bus Committee.

Local Agencies Affected: School corporations; Nonpublic schools.

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